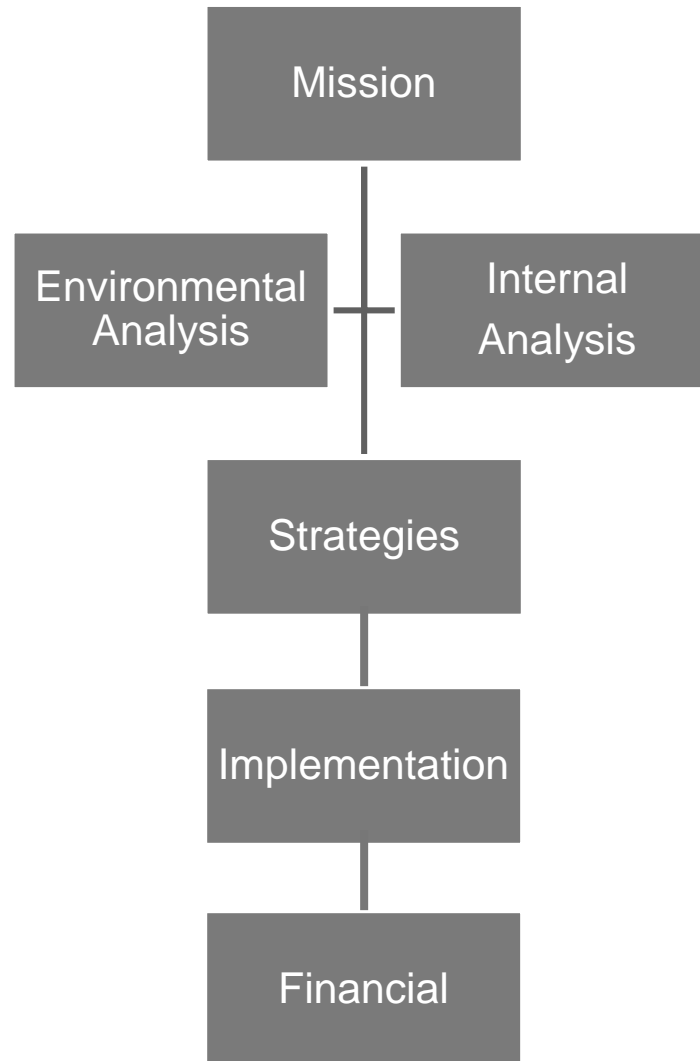


FROM BALLET SAN JOSE TO SILICON VALLEY BALLET

A STRATEGIC PLAN

STRATEGIC PLANNING FRAMEWORK



MISSION

The mission for Ballet San Jose is to provide its audiences with professional ballet performances that are produced to the highest artistic standard, which contribute to the cultural needs of the community and that are accessible to the broadest possible audience. Ballet San Jose is committed to providing interactive arts education for children, youth and adults through its ballet school and outreach programs, focusing on both professional training and on general community enrichment.

MISSION

The proposed new mission for the Silicon Valley Ballet is:

Silicon Valley Ballet provides its audiences in Silicon Valley with professional ballet performances of classical and contemporary repertoire produced to the highest artistic standard. Through its performances, education and outreach programs, and ballet school, Silicon Valley Ballet contributes to the cultural needs of the entire, diverse community.

OBJECTIVES

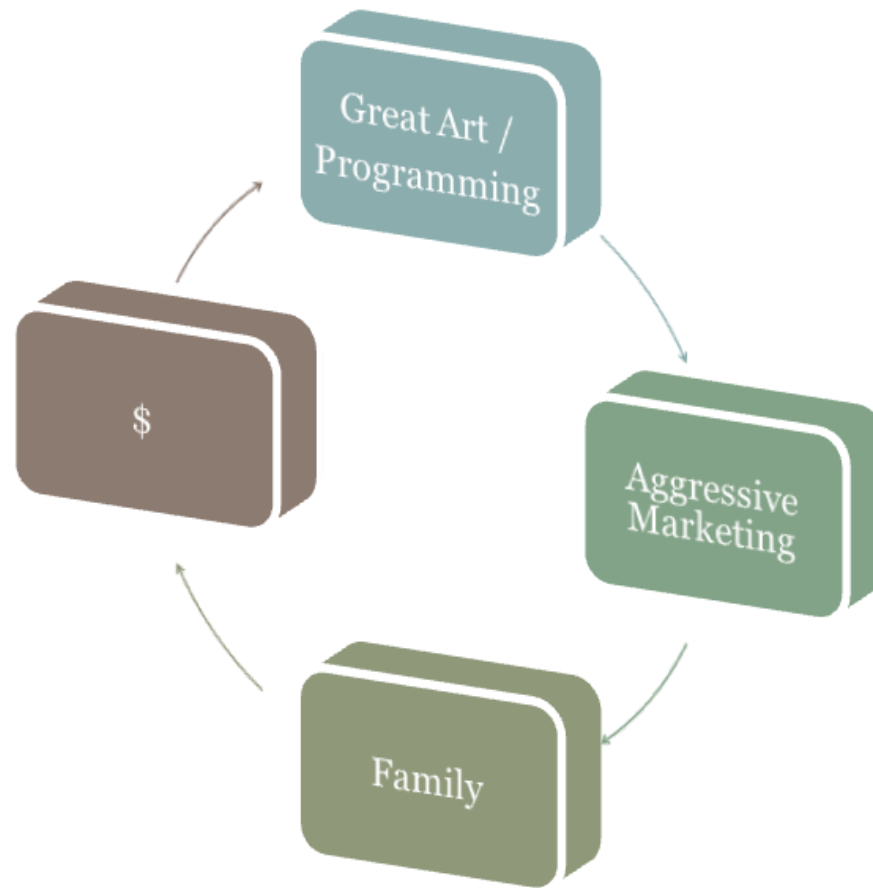
This mission implies several objectives, including:

- Offering performances of the highest caliber
- Performing a diverse mix of classical and new works
- Commissioning new works
- Playing a central role in the arts ecology of Silicon Valley
- Providing superior training for avocational and pre-professional dancers
- As a representative of Silicon Valley, the company will embrace the use of new technologies where possible

EXTERNAL ANALYSIS SUMMARY

- The current economic climate has presented challenges for every arts organization in the nation. As discretionary income has fallen for many Americans, and the number of substitute forms of entertainment has increased, the pressure on not-for-profit arts organizations has increased to develop important artistic and educational programming.
- As competition has increased, marketing well has become more important as a means of creating both earned and contributed income. Both *programmatic* marketing (marketing to sell tickets) and *institutional* marketing (marketing to build allegiance to the organization) are critical.
- Successful organizations have created large families of supporters – ticket buyers, volunteers and donors.
- They have also built strong boards that provide leadership, contribute and raise funds and serve as ambassadors for their organization.
- Organizations that present exciting, surprising programming, mount aggressive marketing campaigns, engage large families and maintain strong boards have the easiest time creating the contributed income streams required.

THE CYCLE



GREAT ART

- Strong, Differentiated Programming
- World Premieres
- Collaborations with Major Artists and Institutions
- *Special* Special Events
- Major Educational and Outreach Initiatives
- Regional/National/International Tours
- Regular Presence

STRONG MARKETING

There are two types of programming. All arts organizations need both:

- **Programmatic Marketing:** the “traditional” forms of marketing (ads, social media, mailings, websites and other online media) that focus on producing earned revenue and lead to a transaction (a sale of tickets, classes, etc.). An organization must typically pay for this type of marketing (with the exception of social media).
- **Institutional Marketing:** the special events, major initiatives, publications, partnerships, collaborations, and major press that help “spike” awareness in an organization and cement its identity. This marketing is typically inexpensive or free to produce. The result of this type of marketing is increased enthusiasm, focus, and energy around the institution and its identity. This type of marketing makes the people, places, and process behind the institution more “famous.”

STRONG MARKETING – PROGRAMMATIC

	Ticket Sales	Total Earned Revenue	Total Advertising (inc. School)	Ticket Sales/ Total Adverts	Total Earned/ Total Adverts
Boston	9,244	15,320	1,702	5.43	9.00
New York City	25,001	28,546	3,568	7.01	8.00
ABT	19,262	22,863	2,866	6.72	7.98
PNB	10,760	14,226	1,820	5.91	7.82
San Francisco	17,934	19,947	2,574	6.97	7.75
Miami	4,993	6,252	1,134	4.40	5.51
Atlanta	2,450	4,959	945	2.59	5.25
Pennsylvania	4,008	4,334	1,112	3.60	3.90
Houston	7,482	9,130	2,464	3.04	3.71
Texas Ballet	1,909	2,645	1,021	1.87	2.59
Ballet San Jose	1,201	1,916	135	8.90	14.19

STRONG MARKETING – INSTITUTIONAL

- **Celebrated Artistic Director/Face of the Organization**
- **World premieres /New commissions**
- **High-profile collaborations**
- **Press**
- **Tours**
- **Major Grants**
- **Special Performances**

LARGE, ENGAGED, DIVERSIFIED FAMILY

- **Board**
- **Donors**
- **Audiences**
- **Students / Families**
- **Volunteers**

BALLET SAN JOSE FACES RELATIVELY WEAK COMPETITION IN SAN JOSE

	Budget	Contributed	% of Budget	Earned	% of Total	Other	% of Total
The Tech Museum of Innovation	\$12,115,360	\$6,180,346	51.0%	\$4,541,420	37.5%	-\$133,989	-1.1%
Opera San Jose	\$6,360,734	\$4,542,736	71.4%	\$1,601,280	25.2%	\$44,898	0.7%
San Jose Children's Discovery Museum	\$6,034,256	\$3,848,099	63.8%	\$1,830,749	30.3%	\$287,769	4.8%
Ballet San Jose	\$5,540,768	\$2,496,180	45.1%	\$1,731,223	31.2%	\$182,395	3.3%
San Jose Repertory Theatre	\$5,217,367	\$1,634,750	31.3%	\$2,892,178	55.4%	\$94,533	1.8%
San Jose Museum of Art	\$3,304,918	\$3,125,215	94.6%	\$408,574	12.4%	\$499,449	15.1%
Symphony Silicon Valley	\$2,869,345	\$1,293,923	45.1%	\$1,492,271	52.0%	\$66,170	2.3%

BUT STRONG COMPETITION IN SAN FRANCISCO

	Budget	Contributed	% of Budget	Earned	% of Total	Other	% of Total
San Francisco Symphony	\$72,154,335	\$51,960,280	72.0%	\$27,329,381	37.9%	\$7,129,936	9.9%
San Francisco Opera	\$70,027,494	\$38,038,251	54.3%	\$25,975,089	37.1%	\$4,785,891	6.8%
San Francisco Ballet	\$47,362,905	\$26,475,718	55.9%	\$21,194,755	44.7%	-\$235,853	-0.5%
San Francisco Museum of Modern Art	\$43,567,769	\$36,104,886	82.9%	\$6,474,086	14.9%	\$6,455,584	14.8%
The Exploratorium	\$39,559,813	\$27,171,284	68.7%	\$8,341,418	21.1%	\$2,340,589	5.9%
Asian Art Museum	\$26,335,319	\$14,703,881	55.8%	\$1,262,001	4.8%	\$6,686,425	25.4%
American Conservatory Theater	\$19,369,736	\$10,129,162	52.3%	\$11,275,336	58.2%	\$578,387	3.0%
San Francisco Film Society	\$5,633,000	\$3,535,643	62.8%	\$1,535,436	27.3%	-\$59,572	-1.1%
Oberlin Dance Collective	\$4,277,520	\$1,809,702	42.3%	\$2,158,268	50.5%	-\$538,369	-12.6%
Alonzo King Lines Ballet	\$4,155,601	\$1,292,266	31.1%	\$2,719,121	65.4%	\$45,827	1.1%
Smuin Ballet	\$3,117,967	\$1,860,052	59.7%	\$1,161,765	37.3%	\$50,795	1.6%
Merola Opera Program	\$2,822,495	\$1,815,581	64.3%	\$136,038	4.8%	\$1,313,129	46.5%

AND STRONG COMPETITION FOR NATIONAL RECOGNITION

(\$,000)	Exp	Contrib	%	Tickets	%	Tour	%	Sch.	%	End.	%
New York City	57,307	17,651	31	25,001	44	2,689	5		0	14,608	25
San Francisco	43,934	20,375	46	17,934	41	NA	0	1,992	5	172	0
ABT	40,068	12,699	32	19,262	48	NA	0	2,998	7	572	1
Boston	27,902	12,906	46	9,245	33	20	0	6,075	22	397	1
PNB	20,422	6,412	31	10,760	53	137	1	2,811	14	27	0
Houston	20,289	10,750	53	7,482	37	NA	0	1,648	8	5,601	28
Miami	15,040	8,620	57	4,993	33	NA	0	1,249	8	88	1
Penn	10,502	5,857	56	4,337	41	246	2	2,811	27	245	2
Atlanta	9,119	4,711	52	2,450	27	NA	0	-	0	133	1
TBT	6,510	3,308	51	2,229	34	NA	0	735	11	NA	0
Tulsa	5,476	2,620	48	714	13	NA	0	457	8	11	0
Aspen-Santa Fe	3,498	2,105	60	722	21	251	7	577	16	74	2

EXTERNAL ANALYSIS: CONCLUSIONS

- All successful arts organizations require:
 - Strong, differentiated programming
 - Aggressive programmatic and institutional marketing campaigns
 - Large, diversified families of donors
 - Potent boards
- These success factors are more important in San Jose:
 - Lots of competition for ticket sales and contributions from San Francisco
 - Appealing to a diversified audience and donor base will become increasingly important
- There are only a few very large American ballet companies and even they do not fall within the largest arts organizations in their cities.

INTERNAL ANALYSIS: STRENGTHS

Strong artistic heritage and producing capability

Strong production values

Strong dancers

Strong local education and outreach programs

Successful school

Several loyal donors

Dedicated staff

Newly engaged Board

INTERNAL ANALYSIS - WEAKNESSES

Major cash flow shortfall

Weak ticket sales

Weak major donor program after loss of key donor

Weak marketing effort (both programmatic and institutional)

Engaged board but without many potent community leaders, corporate leaders or philanthropists

Modest reputation

Few transformational projects

Poor board/staff culture

PROGRAMMING HAS BEEN STRONG BUT NOT CONSISTENT

- Many wonderful programs
- Few world premieres recently
- Missing a distinctive voice
- No performances in Autumn when SFB is quiet as well
- Much of audience is younger but few works for families/children
- Little that makes national news

MARKETING IS WEAK

Substantial underinvestment in marketing

Materials are rushed due to late delivery of season information

Poor graphic design – dated and unimaginative

No press endorsements on materials

E-communications need revisiting

Weak group sales

Institutional marketing is not pursued consistently

No central spokesperson for the organization

Little use of celebrity

AND THE DEVELOPMENT EFFORT COULD BE BOLSTERED

Only one development professional on staff

Contributions from corporations and foundations are extremely modest

A few individual donors provide most of the revenue

Board is very small given the fundraising challenge

Special events net only modest amounts of money

Effort hampered by lack of programming highlights and advance planning

THE BOARD COULD BE MORE HELPFUL

Five Central Board Responsibilities

Participate in Strategic Planning

Understand Annual Budget

Hire, Fire, Compensate Direct Reports

Participate in Fund-raising

Serve as Ambassadors

BOARD AUDIT

Five Central Board Responsibilities (graded from 1 to 5)

Participate in Strategic Planning	2
Understand Annual Budget	1
Hire, Fire, Compensate Direct Reports	2
Participate in Fund-raising	4
Serve as Ambassadors	4

INTERNAL ANALYSIS SUMMARY

Ballet San Jose has many strengths on which to build: strong dancers, production values, school, a few dedicated donors, engaged board and diligent staff

Key areas of concern include: programming, marketing (programmatic and institutional), fundraising and board involvement in fundraising

STRATEGIC DIRECTION

Scale and Scope

The focus of this plan is to position the newly named Silicon Valley Ballet as a dynamic, contemporary ballet company that embraces the culture of Silicon Valley. By employing new choreography, new technology and an element of surprise, Silicon Valley Ballet will provide a counterpoint to the San Francisco Ballet.

This strategic plan will position the Ballet San Jose, artistically and administratively, as a preeminent regional company of national relevance.

Ballet San Jose will focus the majority of its programming and audience development attention on Silicon Valley. To reinforce this direction, the name of the company will be changed to Silicon Valley Ballet.

High-profile programming will position Silicon Valley Ballet for select touring engagements in California and in select venues on national and international stages, reinforcing Ballet Silicon Valley's regional dominance and national relevance.

STRATEGIC DIRECTION

Programming

Silicon Valley Ballet programming—content, planning, and quality—will be the most important element in creating a truly unique identity and inciting audience and donor growth.

On stage, Silicon Valley Ballet will offer a balanced portfolio of:

- commissioned world premieres by guest choreographers;
- presentation of adventurous, national and international repertoire;
- classical repertoire, including the story ballets; and
- major special projects and collaborations to supplement this portfolio.

Live music will accompany high-profile engagements, including Nutcracker and premieres.

Off stage: the Silicon Valley Ballet School and a robust outreach/education program in Silicon Valley will cement the organization's local dominance.

STRATEGIC DIRECTION

Administration, Board, and Fundraising

But no level of artistic or educational accomplishment is sufficient to ensure the sustainability of any arts organization.

To support this activity Silicon Valley Ballet will address its shortcomings by:

- Strengthening its image and earned revenue through a rigorous marketing program that ties the organization to the image and success of Silicon Valley
- Strengthening its fundraising effort through a focus on foundation, corporate and individual major donors
- Building a more financially-sustainable board that is giving more in aggregate, and consists of more major sources.
- Identifying key development and marketing personnel to support this growth.

A disciplined approach to each of these activities will grow a family of ticket-buyers, donors, board members and volunteers who will ensure that the financial resources are available to pursue artistic and educational excellence consistently.

PROGRAMMING

Silicon Valley Ballet will undertake a phased planning cycle, setting major projects in motion at least 3 years in advance, and approving the complete season by August of the prior year (e.g. August of 2014 for 2015-16 season).

In so doing, Silicon Valley Ballet ensures that staff and board has the time to build revenue and audiences for more adventurous programming.

The resulting work is of larger scale, more diverse, and more unique. In other words, it is more relevant to a larger audience.

PROGRAMMING

The annual season will grow to consist of 5 productions: with repertory performances in Autumn and Spring and Nutcracker in December. Each season will likely include:

- A. A world or company premiere
- B. Nutcracker
- C. A family or children's ballet (Peter and the Wolf, Cinderella, etc.)
- D. One world premiere and/or presentation of a recent success by a preeminent regional, national or international choreographer (Lang, Peck, Walsh, Scarlett, etc.).
- E. One "classic" 20th-century ballet (Balanchine, Robbins, Kylian, etc.)
- F. One story ballet (*Sleeping Beauty*, *Giselle*, *La Bayadère* *Swan Lake*, *Coppélia*, *Merry Widow*, etc.) often with a new setting, ideally with sets by a prominent American visual artist or architect

PROGRAMMING

Additionally, each season will include special programming events or provocative collaborations to “spike” awareness of Silicon Valley Ballet as an engaging, “fresh” company, and attract a new audience:

- A. Free public performance
- B. Pre-dinner, post-work, short evenings (30 minutes) at local museums to engage young professionals and visual arts aficionados.
- C. Master classes with retired ballet stars
- D. A high-profile collaboration with a technology company
- E. Family Series in suburban theaters
- F. Themed galas
- G. Guest dancers

PROGRAMMING

“Opportunistic” touring will build audiences, class enrollment, and status

- Silicon Valley: Create a suburban theater mini-tour
- California
- New York, Washington D.C., Chicago
- International venues (e.g. Cuba)
- Tours must at least pay for themselves

PROGRAMMING

School remains a vital part of the company.

- A. Increase quality of students
 - I. Establish scholarship fund to subsidize pre-professionals
- B. Increase access to company and its members
 - I. Master Class series with Artistic Director and Guest Choreographers
 - II. Classes for upper-level students with professional company
 - III. Attend Silicon Valley Ballet rehearsals
- C. Increased performance opportunities
 - I. Best students perform in company productions
- D. Consider satellite schools throughout Silicon Valley (Palo Alto)

PROGRAMMING

School grows as a source of audiences, community goodwill, and revenue, but require up-front investment.

- A. Capital Improvements
- B. Improve Marketing
 - I. Schools market company performances more aggressively; package for students and their families
 - II. “Season Announcement” Party for Schools, Families, and Friends with Silicon Valley Ballet dancers
 - III. Showcase access to backstage opportunities with main company
- C. Build adult classes through partnership with universities, gyms, women’s clubs, and health/fitness groups, personal trainers
- D. Increased performance marketing to students and parents

OUTREACH

Outreach is an important way for Silicon Valley Ballet to create visibility and to serve the community

A. Continue:

- In-school dance and music classes
- Lecture/demonstrations
- Free Classes
- Dress rehearsal invitations

B. Add:

- On-line teacher resources
- Weekday field trips
- Dance and music appreciation classes
- Trainee performances
- Make A Ballet
- Boys and Girls Club affiliations
- Partnerships with Stanford, Santa Clara, San Jose State
- Pop Up Studios

MARKETING - PROGRAMMATIC

Immediate focus on:

- **Introducing a mobile app**
- **Properly funding coordinated electronic, print and direct mail program**
- **Rebranding image as cutting edge**
- **Maintaining a consistent and planned presence on social media outlets**
- **Increasing emphasis on group sales**
- **Better use of Tessitura system**

MARKETING – PROGRAMMATIC

The marketing effort will be data-driven, responsive, and efficient.

A. Process

- I. Institute rigorous source code tracking and analysis to master effectiveness of each vehicle
- II. Increase accuracy in revenue projection process by basing future year projection on analysis of previous year ROI on program type
- III. Annual and per-production marketing schedule delivered and implemented by Director of Marketing
- IV. Daily, morning review of previous day's sales and re-calibration of media mix with Director of Marketing and Executive Director
- V. Semi-annual survey of customer buying patterns and habits
- VI. Start Subscription effort months earlier
- VII. Add aggressive telemarketing for subscription and group sales

MARKETING – PROGRAMMATIC

The marketing effort will be data-driven, responsive, and efficient.

B. Media Mix and Budget

- I. Shift weight of effort away from paid advertising (especially outside and glossy) to affinity, electronic, and PR efforts
- II. Online content must be expanded to include: Rich narrative, Video, Interviews and program notes, external links, rehearsal footage
- III. Increase effectiveness of online marketing and social media by including incentives/offers in each email and increased segmentation

C. Pricing

- I. Review all price points
- II. Rescale the house
- III. Use of dynamic pricing

MARKETING – PROGRAMMATIC

The marketing effort will be data-driven, responsive, and efficient.

D. Expand Affinity Marketing effort

- I. Silicon Valley Ballet School
- II. University and Alumni programs (Dance, Fitness, Literature, Humanities)
- III. Women's Societies (Woman's Club; Women Influencing Business, etc.)
- IV. Arts Council Young Patrons
- V. Fitness, Fashion, Visual Arts, Music communities

E. Expand Press Effort

- I. Calendar for major press messages – one each quarter
- II. Bi-monthly “off the record” lunches with key writers, bloggers, radio and TV personalities
- III. Invitation to annual season announcement party

MARKETING – PROGRAMMATIC

The marketing effort will be data-driven, responsive, and efficient.

F. Branding

- I. Unified look/feel required online and in print – style guide must be commissioned and uniformly employed
- II. Continually updated web design and graphic design required
- III. Uniform e-blast look/feel
- IV. Copywriting must be improved – outsource if necessary
- V. Incorporate additional 3rd party endorsements
- VI. Imagery should emphasize accessibility and expressiveness of company

MARKETING – INSTITUTIONAL

The institutional marketing effort positions Silicon Valley Ballet as an expressive, high tech, and contemporary American voice.

- A. The annual effort will be governed by a calendar overseen by the executive office, will include at least 4-6 highlights and will include:
 - I. A live season announcement for subscribers, Board, patrons, high-level donors, press, students and their families; followed by luncheon for donors
 - II. A series of events to celebrate Jose Carreno
 - III. Master class series
 - IV. One high-profile collaboration with a prominent Silicon Valley Corporation
 - V. Joint marketing with San Francisco sports celebrities
 - VI. Gala
 - VII. Celebrity Spokesperson for School
 - VIII. Announcement of Grants, Tours, Special Projects
 - IX. Pop Up Studios

FAMILY – BOARD OF DIRECTORS

The “Ideal” Silicon Valley Ballet Board in 2016 consists of:

- A. 30 contributing members; 5 non-contributing members
- B. Minimum Give/Get of \$25,000
- C. Average gift of \$50,000 by FY16
- D. Total Giving of \$1,500,000
- E. Paying representation from the following sectors: technology, financial, entertainment, media
- F. Non-paying representation from the following sectors: academia, local government, high culture/artists
- G. At least 5 members to be considered socially-connected in Silicon Valley

FAMILY – BOARD OF DIRECTORS

The “Ideal” Silicon Valley Ballet Board in FY19 consists of:

- 2 Members with the Capacity for an Annual Gift of \$250,000
- 3 Members with the Capacity for an Annual Gift of \$100,000
- 5 Members with Capacity for an Annual Gift of \$50,000
- 20 Members with Capacity for an Annual Gift of \$25,000

FAMILY – BOARD OF DIRECTORS

Board – Staff Working Relationship

- A. Each Board Member shall have the opportunity to “adopt” a project.
- B. A project “menu” will be announced at a Board meeting each fall following the adoption of the season.
- C. Each board member shall be asked to identify a project for which they can identify resources, partners, and participants: in other words, to serve as an ambassador for the project.
- D. Staff will attempt one monthly contact with each Board member.
- E. Three Board members will report on “their” project at each board meeting.
- F. Executive Committee and Senior Staff will conduct a Semi-annual review of performance against key objectives of strategic plan.

FUNDRAISING

Strengthen the Annual Fund through an increased emphasis on stewardship and cultivation of “Game Changers”.

- Establish relationships with major foundations in region
- Create corporate committee
- Focus on individual donors
- Create target list of 300-500 individual prospects
- Create a calendar of donor events
- Challenge Grant to address short-term cash needs
- New focus on:
 - Members program at \$1,000 (goal of 500)
 - Major gifts at \$5,000 - \$10,000 (goal of 100)
 - Director’s Circle at \$25,000 (goal of 50)

TECHNOLOGY

- **Form Technology Committee to engage tech community**
- **Explore ways to use technology to enhance arts education, outreach and marketing**
- **Consider on-line broadcast of selected performances**
- **Aggressive use of social media**
- **Re-designed web site**

FACILITIES

- **Evaluate sites for satellite schools**
- **Explore theaters for Silicon valley mini-tour**
- **Refresh current building**
 - Clean facility
 - New plumbing
 - New carpeting
 - Fresh paint
 - Complete theater

IMPLEMENTATION: FIRST 10 STEPS

- Create long-term artistic program
- Build School/Add Satellite
- Expand Outreach
- Rebrand company
- Improve programmatic marketing
- Mount Institutional marketing campaign
- Build board
- Implement special campaign
- Build corporate and foundation fundraising
- Expand major gifts program

FINANCIALS – REVENUES

	FY13	FY14	FY15	FY16	FY17	FY18
Earned						
Subscriptions	201	201	240	265	300	315
Single Tickets	200	250	300	340	360	380
Nutcracker	800	725	800	900	945	1000
Fees	91	125	140	155	160	168
School	576	828	900	1100	1200	1260
Other	48	136	150	175	187	200
Contributed						
Individual	320	1700	2000	2200	2450	2600
Corporate	3300	50	250	400	500	550
Foundation	75	25	100	250	300	350
Government	50	85	85	85	85	85
Special Events (net)	(21)	60	150	200	250	300
Total Income	5640	4185	5115	6070	6737	7208

FINANCIALS – EXPENSES

	FY13	FY14	FY15	FY16	FY17	FY18
Admin and Finance	464	356	400	425	450	500
Development	108	317	350	400	420	440
Outreach	0	43	50	60	70	80
Production - Fixed	757	493	525	550	575	600
Production - Direct	1446	1155	1200	1300	1400	1500
Artistic	2152	2070	2100	2200	2300	2400
School	540	558	600	750	800	850
Marketing	274	272	300	335	370	400
Box office	216	202	215	225	235	245
Total Expenses	5957	5466	5740	6245	6620	7015

FINANCIALS – SUMMARY

	FY13	FY14	FY15	FY16	FY17	FY18
Total Income	5640	4185	5115	6070	6737	7208
Total Expenses	5957	5466	5740	6245	6620	7015
Special Campaign		1200	625	175		
Surplus / Deficit	(317)	(81)	0	0	117	193

ADDITIONAL CASH NEEDS

- **Restricted Funds** **122,000**
- **Career Transition Fund** **67,000**
- **Short term Loans** **178,000**
- **ABT Pledge** **75,000**
- **Back Office Rent** **206,694**
- **Payables (>90 days)** **368,789**